



INTERNATIONAL ASSOCIATION OF DRILLING CONTRACTORS

MEMORANDUM

TO: Distribution

FROM: Alan Spackman, Vice President, Offshore Technical and Regulatory Affairs

SUBJECT: Report on the 34th meeting of the Scientific Group of the London Convention and 5th meeting of the Scientific Group of the London Protocol

DATE: 14 July 2011

The 34th meeting of the Scientific Group of the London Convention and 5th meeting of the Scientific Group of the London Protocol (LC-SG34/LP-SG5) were held concurrently from 11 to 15 April 2011 in Tallinn, Estonia, under the Chairmanship of Dr. Chris Vivian (United Kingdom). The meeting was attended by delegations from: 15 contracting nations to the 1972 Convention and 11 Contracting Parties to the 1996 London Protocol; 2 non-contracting nations; 1 United Nations organization, and 4 non-governmental organizations. The International Association of Drilling Contractors was not represented.

Issues addressed during the session that may be of interest to offshore exploration and production industries included:

Review of the 2007 CO₂ Sequestration Guidelines

In 2010, the Meeting of Contracting Parties, had endorsed the LP Scientific Group's agreement to establish an intersessional Correspondence Group, under the lead of the United Kingdom, and had adopted a work plan with timelines to conduct this review.

A first revised draft of the Guidelines has been prepared and circulated to the Correspondence Group for consideration. A number of comments and suggestions had been received from Canada, Germany, the Netherlands, Norway, the United States, OECD/IEA-GHG, CCSA and Greenpeace International.

The comments received comprised legal, administrative and scientific/technical issues: The LP Scientific Group was only mandated to address the scientific/technical issues, but could flag all other comments raised for consideration by the governing bodies.

The following substantive issues were raised in discussion:

- .1 the revised Guidelines should cover both the scenario of export of CO₂ (by ship or pipeline) for sequestration purposes, and the scenario of transboundary movement of CO₂ after injection in sub-seabed geological formations;
- .2 as the entry into force of the Article 6 amendments might take several years should the review be limited to updating the 2007 Guidelines, or also address all repercussions of the amendment. It was noted in this regard that several guidelines, as well as the revised Rules of Procedure had been prepared well in advance of the entry into force of the London Protocol itself; and
- .3 transboundary movement should be addressed in the Guidelines as soon as possible, irrespective of whether the Article 6 amendment entered into force as it was recognized that this aspect is currently excluded.

A Working Group developed a series of suggestions of revisions and points of clarification to both an intersessional Correspondence Group and the Meeting of Contracting Parties, together with a work plan for intersessional work.

Experiences with CO₂ sequestration technologies and their application

The Netherlands, informed the meeting of the progress with the national research programme investigating the whole chain of carbon capture, transport and storage. During the last year the focus for

storage had been mainly on the Rotterdam capture and storage demonstration project called "ROAD", which is meant to collect new knowledge and experiences on technical, economical, legal and social matters in relation to CCS-projects. The "ROAD" project was a joint venture between E.ON Benelux, group GDF-SUEZ and TAQA Energy. As part of the project, GdF SUEZ would provide a pipeline to transport the captured CO₂ to a platform in the North Sea; and TAQA would carry out the storage of the CO₂ in the depleted gas field in block P18 located in the Netherlands' EEZ, consisting of various compartments at a depth of about 3.5 km. Injection was scheduled to start in 2015 for a period of 5 years with an annual rate of about 1.1 million tonnes.

The United Kingdom informed the Groups that the Department for Business, Enterprise and Regulatory Reform (BERR) and Defra in the United Kingdom had held a workshop in May 2008 to clarify the state of knowledge in the United Kingdom on techniques and methods for detecting, monitoring and quantifying CO₂ at sub-seabed storage sites. The report from that workshop was now available on the Defra website and it summarized the discussions, outlining the current understanding of the portfolio of monitoring techniques available for the detection and quantification of CO₂ following sub-seabed storage.

Brazil informed the Groups of the plans to re-inject the CO₂ from the production of the new deep-water oil and gas fields off the coast of Southern Brazil.

The delegation of Norway gave a short update of its earlier reports to the Groups regarding the Sleipner gas field CCS project on stream since 1996 injecting up to 1 million tonnes of CO₂, annually, and the Snøhvit gas field involving the injection of CO₂ into the sub-seabed geological formation Tubåen.

Cooperation with the Marine Environment Protection Committee (MEPC) on ship hull's scraping

In July 2009 the MEPC approved "Guidance on Best Management Practices of Removal of TBT Paints from Ships" which the Groups had developed. This Guidance was aimed at TBT removal in a controllable environment. It was also recalled that the Groups had agreed that hull scraping activities outside a controllable dockyard environment, with the attendant risk of uncontrolled release of anti-fouling paint flakes and fouling organisms, should be an issue for future discussion in the Joint LC-LP/MEPC Working Group on Boundary Issues. In response, MEPC confirmed that the issue of in-water hull cleaning was within the scope of the work being undertaken by the IMO Sub-Committee on Bulk Liquids and Gases (BLG) under its agenda item on bio-fouling and in-water cleaning.

It was recalled that the governing bodies, in light of the discussion of the issue of "Aquatic Invasive Species" as raised by New Zealand, had agreed that the primary objective here was to encourage discussion and share experiences amongst; specifically, the extent to which hull cleaning has been considered to constitute "normal operations of a vessel", and in relation to wastes generated during such activities. The discussion of this ongoing activity was assigned a medium priority in the Groups' Work Programme with a completion target for 2013.

The Secretariat reported that BLG completed draft "Guidelines for the control and management of ships' bio-fouling to minimize the transfer of invasive aquatic species" and forwarded them to MEPC for adoption. Further, due to time constraints, BLG had been unable to consider fully the potential need for guidance on the disposal of in-water cleaning material to land-based facilities. While the work on this issue would continue, an understanding had been reached that rather than including a specific size target for the capture of material released during "in-water cleaning", the Guidelines should recommend that in-water cleaning technologies should be used that "minimize the release of both anti-fouling coating and paint debris, and viable adult, juvenile, or reproductive stages of macrofouling organisms". BLG noted that such potential guidance should not be limited to land-based disposal but also consider potential links to MARPOL Annex V and/or the London Convention and Protocol.

The Groups recommended that Parties liaise with their maritime departments to enquire on the benefits they had had with the 2009 "Guidance on Best Management Practices of removal of TBT Paints from Ships" and report to the next session.

Election of officers

The Groups unanimously elected Dr. Gi-Hoon Hong (Republic of Korea) as the Chairman, and Ms. Linda Porebski (Canada) as the 1st Vice-Chairman and Mr. Darrell Brown (United States) as 2nd Vice-Chairman for the intersessional period and for the next meeting of the Groups.

Arrangements and Dates for Future Meetings

The Groups' next session is scheduled to be held from 21 to 25 May 2012.

The following are among the topics to be addressed:

- Review of the 2007 CO₂ Sequestration Guidelines; and
- Cooperation with UNEP-GPA on the discharge of mine tailings into coastal and oceanic waters.

The complete report of the Committee, including its annexes, can be obtained from the IMO portion of the IADC Website at: <http://www.iadc.org/committees/offshore/IMO.html>.

Please feel free to contact me by phone (+1 713 292 1964) or e-mail (alan.spackman@iadc.org) with any questions you may have regarding this report.